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**Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission**

**Financing of the United Nations Interim Administration Mission in Kosovo**

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**Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations: financing of the United Nations peacekeeping operations**

# Financing of the United Nations peacekeeping operations

## Report of the Advisory Committee on Administrative and Budgetary Questions

## Introduction

1. During its meetings held in February and March 2001, the Advisory Committee on Administrative and Budgetary Questions considered the financial performance reports for the period from 1 July 1999 to 30 June 2000 and the proposed budgets for the period from 1 July 2001 to 30 June 2002 of the

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peacekeeping operations listed below. The Committee's reports on each of these missions are presented as addenda to the present report:

(a) United Nations Disengagement Observer Force (UNDOF) (A/55/874/Add.1);

(b) United Nations Iraq-Kuwait Observation Mission (UNIKOM) (A/55/874/Add.2);

(c) United Nations Peacekeeping Force in Cyprus (UNFICYP) (A/55/874/Add.3);

(d) United Nations Observer Mission in Georgia (UNOMIG) (A/55/874/Add.4);

(e) United Nations Mission in Bosnia and Herzegovina (UNMIBH), including the liaison offices in Zagreb and Belgrade and the United Nations Mission of Observers in Prevlaka (UNMOP) (A/55/874/Add.5);

(f) United Nations Interim Administration Mission in Kosovo (UNMIK) (A/55/874/Add.6);

(g) United Nations Mission for the Referendum in Western Sahara (MINURSO) (A/55/874/Add.7);

(h) United Nations Logistics Base at Brindisi, Italy (UNLB) (A/55/874/Add.8).

2. The Advisory Committee also considered the financial performance reports for the period from 1 July 1999 to 30 June 2000 of the United Nations Civilian Police Mission in Haiti (MIPONUH) (A/55/753), the report on the final disposition of the assets of the United Nations Support Mission in Haiti (UNSMIH), the United Nations Transition Mission in Haiti (UNTMIH) and MIPONUH (A/55/667) and the report on final disposition of assets of the United Nations Preventive Deployment Force (UNPREDEP) (A/55/390). The Committee has reported on the financing of the United Nations peacekeeping operations in Haiti (A/55/881) and on UNPREDEP (A/55/886).

3. The Advisory Committee also considered the financial performance reports for the period from 1 July 1999 to 30 June 2000 of the United Nations Mission of Observers in Tajikistan (UNMOT) (A/55/816 and Corr.1), the United Nations Observer Mission in Angola (MONUA) (A/55/844) and the United Nations Mission in the Central African Republic (MINURCA) (A/55/849). The Committee has reported on the financing of UNMOT (A/55/880), MONUA (A/55/879) and MINURCA (A/55/884).

4. The Advisory Committee considered the financial performance report for the period from 1 July 1999 to 30 June 2000 (A/55/757) and the revised budget for the period from 1 July 2000 to 30 June 2001 of the United Nations Interim Force in Lebanon (UNIFIL) (A/55/482/Add.1) and the performance report for the period from 1 July 1999 to 30 June 2000 (A/55/853) and the revised budget for the period from 1 July 2000 to 30 June 2001 (A/55/805 and Corr.1) of the United Nations Mission in Sierra Leone (UNAMSIL). The Committee reported on the financing of UNIFIL (A/55/885) and UNAMSIL (A/55/869).

5. The Advisory Committee considered the financial performance report of the United Nations Protection Force (UNPROFOR), the United Nations Confidence Restoration Operation in Croatia (UNCRO), UNPREDEP and the United Nations Peace Forces headquarters for the period from 1 January to 31 December 2000

(A/55/840). The Committee also submitted its report on these operations (A/55/886).

6. The Advisory Committee also considered the proposed budget for the establishment of the United Nations Mission in Ethiopia and Eritrea (UNMEE) for the period from 31 July 2000 to 30 June 2001 (A/55/666 and Corr.1). The Committee submitted its related report on the financing of UNMEE (A/55/688/Add.1).

7. In addition, the Advisory Committee has considered the report of the Board of Auditors to the General Assembly on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2000[1] and has submitted its report (A/55/878).

## Missions for which budgets have not been received

8. The Advisory Committee was informed, in a letter from the United Nations Controller dated 22 March 2001 (see annex V to the present report) that recent and prospective anticipated developments specific to certain peacekeeping missions would likely affect their mandates, operational concepts, scope and scale of activities and related resource requirements. Although it was possible for the Secretariat to prepare initial maintenance level budgets for UNIFIL, UNMEE, UNAMSIL, UNTAET and MONUC for the period from 1 July 2001 to 30 June 2002 for submission to the General Assembly at the second part of its resumed fifty-fifth session, the initial budgets would be overtaken by events and would have to be prepared anew, recosted and resubmitted at a later date.

9. The Advisory Committee was further informed that the reports on the financial performance for the period from 1 July 1999 to 30 June 2000 and the budget for the period 1 July 2001 to 30 June 2002 for UNTAET and the budgets for the period 1 July 2001 to 30 June 2002 for UNAMSIL, UNMEE and UNIFIL would be submitted to the General Assembly for consideration during its fifty-sixth session.

10. **In view of the foregoing, the Advisory Committee recommends that the General Assembly approve, at the second part of its resumed fifty-fifth session in May 2001, the bridging actions indicated below in respect of UNIFIL, UNMEE, UNAMSIL and UNTAET, pending the submission of the respective budgets for these missions to the General Assembly at its fifty-sixth session. In this connection, the Committee recommends that the Assembly approve commitment authority with assessment for the first six-month period from 1 July to 31 December 2001 as follows:**

**(a) UNIFIL: based on the revised budget of $199,097,919 gross ($195,117,090 net) for the period from 1 July 2000 to 30 June 2001 (A/55/482/Add.1), to approve and assess an amount of $99,548,960 gross ($97,558,500 net);**

**(b) UNMEE: based on the authorized budget of $180 million gross ($177,866,900 net) for the period from 1 July 2000 to 30 June 2001 (resolution 55/237 of 23 December 2000), to approve and assess an amount of $90 million gross ($88,933,450 net);**

**(c) UNAMSIL: based on the revised budget for the period from 1 July 2000 to 30 June 2001 of $550 million gross ($546,750,000 net) recommended by the Advisory Committee in its report (A/55/839) and approved by the General Assembly in its resolution 55/251 of 12 April 2001 to approve and assess an amount of $275 million gross ($273,375,000 net);**

**(d) UNTAET: based on the budget of $563 million gross ($546,051,600 net) approved by the General Assembly in its resolution 55/228 of 23 December 2000, to approve and assess an amount of $282 million gross ($273,025,800 net).**

11. The Advisory Committee was informed that, with regard to the United Nations Organization Mission in the Democratic Republic of Congo (MONUC), both the financial performance report for the period from 1 July 1999 to 30 June 2000 and the detailed budget for the period from 1 July 2000 to 30 June 2001, which were overdue, would be submitted to the General Assembly during the second part of its resumed fifty-fifth session. The Committee was further informed that the Secretary-General would submit to the General Assembly, at its fifty-sixth session, the estimates for MONUC for the period from 1 July 2001 to 30 December 2002. Pending this submission, the Secretary-General would, on the basis of such amounts as would be approved by the General Assembly for the period from 1 July 2000 to 30 June 2001, request commitment authority and assessment for the period from 1 July to 31 December 2001.

12. With regard to UNMIK, the Advisory Committee examined the Secretary-General's estimates for the period from 1 July 2001 to 30 June 2002 (A/55/833). The Committee notes that the estimates are subject to change since, according to the Secretariat, a new Special Representative of the Secretary-General is in the process of reviewing the structure and activities of the Mission; it is therefore planned to issue revised estimates during the fifty-sixth session of the General Assembly. The Committee notes that the submission of revised estimates would not be based on changes resulting from actions by the Security Council. Upon enquiry, the Committee was informed that the estimates were not likely to increase significantly. **The Advisory Committee is therefore not fully convinced that the mere arrival of a new Special Representative of the Secretary-General should necessarily result in the submission of revised estimates. The Committee has commented upon this in its report on the financing of UNMIK (A/55/--).**

13. Similarly, for reasons provided in his report, the Secretary-General is intending to submit revised estimates to the General Assembly at its fifty-sixth session in respect of UNLB and the support account. In each case, in its related reports, the Advisory Committee is suggesting that revised budget proposals should instead be formulated and submitted for the session of the Advisory Committee that would begin in February 2002.

14. The Advisory Committee recalls that the calendar for the consideration of budgets for peacekeeping operations, as stipulated in General Assembly resolution 49/233 of 23 December 1994, was formulated with the objective of affording the Fifth Committee and the Advisory Committee the opportunity for in-depth consideration of peacekeeping subjects, without adversely affecting the ability of either body to carry out work related to the regular budget and other matters. To that end, in 1995 the Committee initiated an annual winter session in February and March to consider peacekeeping operations matters (see the report of the Advisory Committee, A/52/860, paras. 6-11).

15. The Advisory Committee also recalls that, in accordance with General Assembly resolution 49/233, for peacekeeping operations with budgetary and operational requirements that are not subject to fluctuation (that is, for stable missions), there should be a submission and review of the budgets only once a year, with assessment subject to renewal of the relevant mandate by the Security Council. For other peacekeeping operations, the budget estimates should be prepared for 12 months but reviewed by the General Assembly twice a year, with assessment subject to renewal of the mandate by the Security Council.

16. **The Advisory Committee is aware of the exigencies, in each case, that have led to the proposals of the Secretary-General for bridging action. The consequences of the developments referred to by the Controller in his letter (see annex V to the present report) are, in the view of the Committee, unavoidable. Nevertheless, the fact that these actions are to be effected simultaneously during the same budgetary period places a considerable strain on the regime put in place by the General Assembly in its resolution 49/233, including the programme of work of the General Assembly. The Committee stresses the importance of not letting the above exceptions produce a lasting effect on the discipline required to maintain the system now in place for the consideration and approval of performance reports and budgets for peacekeeping operations.**

## Expenditures and unencumbered balances

17. A summary of the financial performance of peacekeeping missions for the period ending 30 June 2000 is contained in annex I to the present report. For the peacekeeping operations listed in that annex, expenditures amounted to $1,529,978,900 gross, against appropriations of $1,705,161,200 gross, reflecting an unencumbered balance of $175,182,300, or 10.3 per cent of the appropriations.

18. The Advisory Committee notes that the unencumbered balance in the performance reports during the period from 1 July 1999 to 30 June 2000 has increased, compared with an unencumbered balance of $67,813,000, or 8.1 per cent of the appropriations of $836,056,300 for the preceding period from 1 July 1998 to 30 June 1999 (A/54/841, para. 8). In the various reports of the Secretary-General and the related reports of the Advisory Committee, reasons have been given for the unencumbered balances. The Committee points out that account should be taken of the doubling of appropriations and commitment of authority as the result of the simultaneous launch of new, complex missions, such as UNMIK, UNTAET and MONUC, as well as the redesign and expansion of UNOMSIL into UNAMSIL. The Committee has taken these unencumbered balances into account when making its recommendations on budget requirements.

19. The figures in annex I A exclude expenditure for the support account, and for UNLB. For the support account, expenditure for the period from 1 July 1999 to 30 June 2000 amounts to $38,360,800, against a total amount authorized by the General Assembly of $38,388,700 (appropriation of $34,887,100 and commitment authority of $3,501,600), leaving an unutilized balance of $27,900. For UNLB, expenditure for the period amounts to $7,026,000, against the approved budget of $7,456,500, leaving an unencumbered balanced of $430,500 (or 5.8 per cent of the approved budget).

## Unliquidated obligations

20. As can be seen from table 1, the total of unliquidated obligations for the period from 1 July 1999 to 30 June 2000 amounted to $553,135,785 (or 36.2 per cent of the expenditure of $1,529,978,900), at 30 June 2000, as reflected in the performance reports. At 28 February 2001, unliquidated obligations amounted to $273,401,641.

Table 1
**Unliquidated obligations for the period from 1 July 1999 to 30 June 2000**
(United States dollars)

| | *As per percentage of* | | |
|---|---|---|---|
| *Mission* | *Performance report*[a] | *Apportionment* | *Current status*[b] |
| MINURCA | 5 874 100 | 14.3 | 5 071 139 |
| MINURSO | 3 702 100 | 7.0 | 846 367 |
| MIPONUH | 904 000 | 5.0 | 649 100 |
| MONUA | 2 777 100 | 18.4 | 2 308 400 |
| UNDOF | 8 014 300 | 22.7 | 8 014 272 |
| UNFICYP | 10 664 300 | 23.4 | 10 664 300 |
| UNIFIL | 43 178 000 | 29.0 | 13 779 732 |
| UNIKOM | 9 075 900 | 16.8 | 2 692 196 |
| UNMIBH | 9 161 400 | 5.0 | 2 549 034 |
| UNMIK | 106 334 800 | 24.9 | 43 784 100 |
| UNMOT | 2 662 600 | 14.2 | 2 662 600 |
| UNOMIG | 2 810 000 | 9.0 | 1 442 000 |
| UNAMSIL | 155 917 100 | 59.0 | 70 347 638 |
| UNTAET | 159 717 785 | 45.6 | 98 607 263[c] |
| MONUC | 32 342 300 | 55.1 | 9 983 500[c] |
| **Total** | **553 135 785** | | **273 401 641** |

[a] A good part of the unliquidated obligations relate to provision for reimbursement to Member States for troop costs, contingent-owned equipment and the like.
[b] At 28 February 2001.
[c] 1999/00 performance report currently under preparation.

21. The amounts of unliquidated obligations at 30 June 2000 and at 28 February 2001 are larger compared with the corresponding amounts in table 1 of the previous report of the Advisory Committee (A/54/841). This difference may be due to the larger totals of appropriations for the period ended 30 June 2000 and the related increase in military expenditure. However, the Committee has noted that large amounts of unliquidated obligations have been retained for operational activities of some missions in the period ending 30 June 2000. The Board of Auditors has for example noted instances of sudden increases in requisition and procurement activities towards the end of the financial period of some missions thus reflecting lack of proper planning for those activities. **The Advisory Committee requests that these activities should be monitored and, as necessary, appropriate**

**measures taken to improve planning and the efficiency of the management of operational activities such as requisitions and procurement.**

## Proposals for 2001/02

22. As shown in annex II A estimated gross budgetary requirements proposed by the Secretary-General for seven missions whose budgets have been submitted for the period from 1 July 2001 to 30 June 2002 amount to $799,398,000. Annex II B shows gross estimates for the missions whose budgets for the period from 1 July 2001 to 30 June 2002 will be submitted to the General Assembly at its fifty-sixth session (UNIFIL, UNAMSIL, UNMEE, UNTAET, MONUC), amounting to $1,633,416,900. The figures in annex II exclude the proposed budget of $73,645,500 gross for the support account for peacekeeping operations (A/55/862) and $8,982,600 gross for UNLB (A/55/830). In this connection, the Advisory Committee recalls that the procedure for prorating support account cost requirements among individual peacekeeping mission budgets is contained in its report of 22 March 1996 (A/50/897, para. 37 and annex II) and the procedure with respect to UNLB is contained in its report of 1 April 1999 (A/53/895, para. 37). In its report on the support account (A/55/882), the Advisory Committee makes a specific recommendation on the amounts to be used for prorating.

23. The Advisory Committee was informed that with a number of budgets pending completion, it was not possible to provide an accurate indication of the total budget requirements for all peacekeeping operations for the period from 1 July 2001 to 30 June 2002. Nevertheless, on the basis of the information available, the initial overall requirements would likely be at or around $2.6 billion, more or less the same level of funding for the preceding period of 2000/01. This figure could, however, become significantly higher should the Security Council approve large-scale deployment of military contingents for MONUC.

## Performance and budget estimates reports

24. In its previous reports (see, for example, A/52/860, A/53/895 and A/54/841), the Advisory Committee has regularly commented on presentation of performance reports and budget estimates. The Committee notes that considerable progress has been made to improve the presentation of budget estimates. The estimates are generally based on more realistic assumptions, including taking account of performance experience in previous financial periods. As a result, performance reports show, on the whole, a more realistic outcome of budget implementation. However as can be seen in annex I and as explained in the related reports of the Secretary-General and the Committee, in a limited number of missions, large budget variations often result from factors other than the inability of the Secretariat to prepare realistic budget estimates. Where appropriate, the Committee has made suggestions in the context of individual missions for further improvements in budget formulation and performance reporting, calling attention, as appropriate, to the corresponding findings and recommendations of the Board of Auditors.

25. The Advisory Committee notes that the performance reports do not disclose miscellaneous income received during the financing period (for example, income received from the sale of equipment). The Committee was informed that its previous

recommendation on the disclosure of miscellaneous income in the performance reports would soon be implemented.

26. **The Advisory Committee recommends that a summary of the actions taken to implement the relevant recommendations of the internal and external oversight bodies be included, as necessary, as an annex, in the performance reports of peacekeeping operations.**

## Status-of-forces agreements and memoranda of understanding

27. The Advisory Committee observes that status-of-forces agreements and memoranda of understanding are essential instruments for defining the rights and obligations of the missions in the operational area. In this connection the Committee expresses concern about the fact that often the United Nations has been forced to start mission operations without these instruments in place. As stated by the Board of Auditors in its report, for example, the absence of a memorandum of understanding affected customs clearance from the host Government, leading to delays at the border in the transportation of goods to and from Kosovo.[2] An absence of agreements often leads to the United Nations incurring heavy expenditures in duties and taxes that could be avoided. In other situations even after decisions of the Security Council calling for speedy conclusion of status-of-force agreements inordinate delays are experienced in this regard. With respect to memoranda of understanding concerning contingent-owned equipment, the Committee has consistently reported unacceptable delays in their conclusion. **The Advisory Committee recommends that the Secretariat study the process with respect to memoranda of understanding on arrangements for contingent-owned equipment, identify the elements that often account for delays and submit the results to the General Assembly through the Committee.**

## Pre-arrival inspection

28. As the Advisory Committee has indicated in its report on UNAMSIL (A/55/869), pre-arrival inspection is done upon request of a troop-contributing country. The Committee recommends that in addition to its recommendation concerning UNAMSIL, the Secretary-General should consider ways and means of strengthening its capacity to carry out pre-arrival inspections in the context of the ongoing comprehensive review and capacity study requested by the Special Committee on Peacekeeping Operations in its report of 4 December 2000 (A/C.4/55/6), as approved by the General Assembly in its resolution 55/135 of 8 December 2000. In the meantime, the Secretariat should, as appropriate and wherever applicable, with the concurrence of the troop-contributing countries, supplement expertise available in the Secretariat in carrying out pre-arrival inspections at the request of the troop-contributing countries.

## Contingent-owned equipment verification process

29. With respect to contingent-owned equipment verification arrangements in the mission area, the Advisory Committee was informed that each service in the mission carries out verification. The Committee notes that, pursuant to recommendations of

the Board of Auditors, the Secretariat, has streamlined arrangements for handling verification reports at Headquarters. **In this connection, the Advisory Committee stresses the importance of ensuring that qualified personnel are available in the field to implement all the requirements of the contingent-owned equipment reimbursement procedures.**

## Wet-lease and self-sustainment arrangements

30. **The experience of the Advisory Committee in reviewing the estimates of one mission, UNAMSIL, has led to the conclusion that an effective procedure needs to be in place for ascertaining the capacity of troop-contributing countries to meet the requirements for wet-lease and self-sustainment provisions of the contingent-owned equipment arrangements for those troop-contributing countries that choose this option. Moreover, there is a need to ensure a consistent implementation of the standards set out in the contingent-owned equipment manual.**

31. **In the opinion of the Advisory Committee, overall the "new" wet-lease arrangements appear to be working well. Nevertheless, the Committee is concerned by indications that some troop-contributing countries might be experiencing difficulties in meeting the required level of equipment and self-sustainment. In view of this, the Committee encourages the Secretary-General to review the practical aspects of the wet-lease arrangements and the efficiency gains to which they were designed to lead.**

## Civilian personnel matters

32. Annex III contains information on budgeted and performance vacancy rates for international and local staff in missions for the period from 1 July 1999 to 30 June 2000. From the information in the annex, it is obvious that missions continue to experience the high vacancies that have been reported in past reports of the Committee. This has resulted in consistent under-expenditure of the related staff costs. In the individual reports of the Secretary-General and those of the Committee, the reasons for these vacancies have been given. Some of the contributing causes are contractual difficulties, the long and cumbersome recruitment and placement process in the United Nations, the security situation in some mission areas, changes in mandates as approved by the Security Council during the financial period and, in a few missions, instances of personnel being loaned for start-up activities in new or expanded missions.

33. The Advisory Committee has reiterated its concern about the high vacancy situation in missions and has requested the Secretariat to take action to reduce those vacancies (see A/54/841, para. 22). The Committee notes that the Secretariat has taken some steps to strengthen the capacity to recruit mission personnel at Headquarters and in the mission area. These measures include additional personnel officers under the support account and the granting of delegated authority for recruitment of personnel to missions with governance components, such as UNMIK and UNTAET. The Committee was informed that the experience in UNMIK and UNTAET was being reviewed with a view to identifying practices that could either

be replicated or avoided in other missions. The Committee looks forward to the Secretariat's report on this matter.

34. **The Advisory Committee reiterates its request that the Secretariat's report on measures contemplated to increase mobility, both between missions and from headquarters duty stations to the field, including those related to career incentives of the staff and their security in the mission area (A/54/841, para. 22).**

35. The Advisory Committee was provided with a schedule of mission loans of staff for the periods from 1 July to 31 December 1999 and from 1 January to 30 June 2000, as shown in table 2. While recognizing the utility of such loans, the Committee points out that care should be taken to ensure that such staff loans do not impact negatively on the operations of the missions lending staff. **The Advisory Committee recommends that information on mission staff on short-term loan be provided in performance reports.**

Table 2
**Mission staff on short-term loan for the start up of new missions**

**A. 1 July to 31 December 1999**

| | *To* | | | | | | |
|---|---|---|---|---|---|---|---|
| | *UNAMSIL* | | *UNMIK* | | *UNTAET* | | |
| *From* | *Field Service* | *Local level* | *Field Service* | *Local level* | *Field Service* | *Local level* | *Total* |
| MINURCA | - | - | - | - | - | - | - |
| MINURSO | - | - | - | - | - | - | - |
| MIPONUH | - | - | - | 1 | - | - | 1 |
| UNDOF | - | - | 3 | 1 | 1 | 1 | 6 |
| UNFICYP | 1 | - | 2 | - | - | - | 3 |
| UNIFIL | - | - | 7 | - | - | - | 7 |
| UNIKOM | - | - | - | - | - | - | - |
| UNMIBH | 1 | 1 | 24 | 16 | 2 | 2 | 70 |
| UNMOT | - | - | - | - | - | - | - |
| UNOMIG | - | - | - | - | - | - | - |
| **Total** | **2** | **1** | **36** | **18** | **3** | **3** | **63** |

## B. 1 January to 30 June 2000

| | To | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | UNAMSIL | | UNMIK | | UNTAET | | MONUC | | |
| From | Field Service | Local level | Field Service | Local level | Field Service | Local level | Field Service | Local level | Total |
| MINURCA | - | - | - | - | - | - | - | - | - |
| MINURSO | - | - | - | - | - | - | - | - | - |
| MIPONUH | - | - | - | - | - | - | - | - | - |
| UNDOF | - | - | 1 | - | - | 1 | - | - | 2 |
| UNFICYP | 1 | - | 1 | - | 5 | - | - | - | 7 |
| UNIFIL | - | - | 10 | - | 2 | 3 | - | - | 15 |
| UNIKOM | - | - | - | - | 1 | 1 | - | - | 2 |
| UNMIBH | 7 | 3 | 1 | 3 | 3 | 7 | - | 5 | 29 |
| UNMOT | - | - | 1 | - | - | - | - | - | 1 |
| UNOMIG | 1 | - | - | 1 | - | - | - | 1 | 3 |
| **Total** | **9** | **3** | **14** | **4** | **11** | **12** | **-** | **6** | **59** |

36. During its consideration of the budget estimates of the various peacekeeping missions, the Advisory Committee exchanged views with representatives of the Secretary-General on measures to increase staff security in the field. In this connection, the Committee recalls and reiterates paragraphs 8 to 17 of its report of 1 December 2000 (A/55/658). **The Advisory Committee trusts that information on lessons learned and measures taken to ensure accountability will be fully addressed in future reports on safety and security of United Nations personnel. The Committee requests that measures be taken to ensure that all United Nations staff assigned to missions are adequately briefed and trained on security measures prior to their arrival in the mission area, and that they receive properly formulated and coordinated advice on security matters during the course of their assignment. Moreover, expenditures on staff security should be clearly identified in the performance reports and budgets of the peacekeeping operations.**

37. During its examination of the budget estimates of individual missions, such as UNAMSIL and UNMEE, the Advisory Committee noted a tendency to request posts at inflated grades or propose reclassifications on the ground that high grades and reclassifications would facilitate the recruitment of civilian personnel to mission operations. **In the opinion of the Advisory Committee, this is not a justifiable response to recruitment difficulties.** The Advisory Committee also noted that in some missions (for example, UNAMSIL) attempts were made to justify additional staff and reclassification of posts on the basis of broad generalities. **In the Advisory Committee's opinion, while factors such as expansion of mission strength and scope of operation may warrant additional posts, they do not necessarily warrant specific reclassification of posts.**

38. **In this connection, the Advisory Committee recalls that it had called for greater involvement of the Office of Human Resources Management in the development of standardized generic job descriptions and classification of posts**

**for peacekeeping activities. The Committee accordingly reiterates its request. The Committee also reiterates its request that the Secretary-General present an analysis of problems encountered in attracting and retaining qualified personnel for peacekeeping operations (A/54/841, para. 27). Bearing in mind its concern with the issue of vacancy management, the Committee recommends that personnel contracts be issued to peacekeeping mission staff for periods that may be longer than those of the mission's mandate, provided that proper safeguards are contained in the contract of employment should the mandate not be renewed.**

39. In reviewing the estimates of some missions, the Advisory Committee has encountered instances where the Secretariat has used vacant posts in the approved staffing table for the preceding budgetary period to recruit personnel to fill posts in the proposed estimates even though the latter posts had not yet been reviewed by the Committee and approved by the General Assembly. For example, a proposed post at the D-1 level in the estimates would be filled at that level using a vacant D-1 post in the approved staffing table of the preceding budgetary period. **The Advisory Committee recognizes that the Secretary-General needs flexibility to manage the staffing table, but it cautions that it should not be assumed that the General Assembly will approve a requested post at the level of an incumbent temporarily placed against a vacant post.**

40. **The Advisory Committee acknowledges that travel activities are an essential input for implementing mission mandates and that, very often, unforeseen political developments may lead to a sudden increase in travel needs. However, the Committee has noted many instances where travel expenditure in areas such as management and administrative support, surveys and consultation for officials of missions and Headquarters lacks adequate explanation and justification in the estimates. The Committee is of the view that every effort should be made to justify travel expenditure. Attempts should be made wherever possible to use, in the first instance, modern communications techniques, including video conferencing, before additional expenditure is incurred for expanded travel programmes. Where such expenses are incurred or required, adequate explanation should be included in performance reports and in the proposed estimates.**

**United Nations Volunteers**

41. The Advisory Committee considered the report of the Secretary-General on the participation of United Nations Volunteers in peacekeeping operations (A/55/697). The Committee met with representatives of the Secretary-General and of the United Nations Volunteers. This discussion covered many issues, including those related to peacekeeping operations.

42. The study on the use of United Nations Volunteers in peacekeeping operations was called for by the Advisory Committee in its report on the financing of UNMIK (see A/54/622, para. 38). The Committee notes that over the past year the inclusion of Volunteers in peacekeeping operations has been expanded, in particular in connection with larger, more complex and multifaceted missions, such as those in Kosovo and East Timor (A/55/697, para. 13). The Committee also notes that steps have been taken to explore ways of increasing the participation of United Nations Volunteers in peacekeeping missions and **encourages the Secretariat to review the**

**use of United Nations Volunteers with a view to making greater use of them, especially in substantive areas such as human rights, communications and public information activities.**

43. The representative of the United Nations Volunteers informed the Advisory Committee that they were in contact with the Department of Peacekeeping Operations, but that no formal process existed to discuss lessons learned. **The Advisory Committee believes that there is a need for close cooperation with the United Nations Volunteers at the early stages of the missions, especially at the planning stage. In a related matter, the Committee is of the opinion that the United Nations Secretariat could learn much from the very successful roster system used by the United Nations Volunteers (including the ability to mobilize former Volunteers), which utilizes the resources of the United Nations Development Programme (UNDP) country offices and resident representatives (see, for example, A/54/804, paras. 17-20).**

44. **The Advisory Committee cautions, however, that United Nations Volunteers should not be seen as a means of obtaining cheap labour for peacekeeping operations. In the Committee's opinion, the key contribution of the United Nations Volunteers programme to peacekeeping operations is its ability to mobilize quickly international volunteers with a wide range of relevant skills and experience to complement staff services of the United Nations Secretariat, both in support and substantive areas of missions.**

45. The Advisory Committee was informed that often United Nations Volunteers were given low priority in the provision of some services that would contribute to the effective discharge of their functions. **The Advisory Committee is of the opinion that the Secretariat and the senior staff in missions should ensure that the valuable contribution of Volunteers in any mission operation is given recognition in the management practices of the missions concerned. The Committee recommends that the Secretariat take all necessary measures in order to give Volunteers functional access to services in the mission area which is equivalent to that provided to the United Nations international staff, such as transportation and communication services.**

## Procurement and inventory management

46. As it has done in past reports (see, for example, A/53/895, A/53/940 and A/54/841), the Advisory Committee has commented on this subject in its individual reports and also in the context of its report on the report of the Board of Auditors (A/55/878). The Committee will offer more comments when it reviews the report of the Secretary-General on the field assets control system (A/55/845). **The Advisory Committee remains concerned about weaknesses in inventory management and asset control of peacekeeping operations.** The Board has identified lack of procurement planning and vendor performance evaluation and systematic training and retention of staff as major causes of concern. During discussions, the representatives of the Secretary-General revealed that often less priority was given in staff recruitment and assignment to the functions of inventory management and procurement activities for some missions.

47. **The Advisory Committee expresses concern about the above situation. It stresses that procurement and inventory management are functions that account for large investment by the Organization, and that it is essential for all concerned to take steps to ensure that adequate qualified staff are assigned, trained and retained to perform these functions in field missions.**

48. The Advisory Committee was informed that in some peacekeeping missions, such as UNDOF, purchase requests were made by logistics units staffed by military personnel who report to the Force Commander. The Committee is aware that military personnel serve in the mission area normally for six months and often do not have time to become familiar with United Nations procurement policies and procedures. **In the view of the Advisory Committee, the current logistics arrangements may impinge on proper procurement planning. In this connection, the Committee is of the opinion that logistics units should be restructured so that they report directly to the civilian component of the mission. This issue should be addressed as a matter of urgency in all peacekeeping operations, with a view to introducing, where applicable, the appropriate changes.**

## Delegation of procurement authority

49. As indicated in its report on the report of the Board of Auditors (A/55/878), the Advisory Committee was informed that the Under-Secretary-General for Peacekeeping Operations has received delegated authority to procure goods and services of up to $1 million, subject to certain conditions. **In this connection, the Advisory Committee recalls its observation that adequate capacity must exist at the receiving end in the field to discharge procurement functions properly, as well as a mechanism at the central level to monitor those capacities** (see, for example, A/55/458, para. 6).

50. The Advisory Committee understands that in some missions, such as UNMIBH, arrangements for provision of rent-free premises have been made with host Government, on the understanding that the cost of renovation would be covered by the United Nations. In the case of UNMIBH, the Committee was informed that the Mission had spent $3 million in renovations. **The Advisory Committee recommends that all future budget submissions for United Nations peacekeeping operations provide a complete justification for significant investments ($1 million and above) in non-United Nations-owned premises.**

## Mission liquidation and disposition of assets

51. The Board of Auditors has identified several weaknesses in liquidation activities. **The Advisory Committee remains concerned at what appears to be a deterioration (after the efforts made in 1999) in the capacity of the Secretariat to handle current liquidation and other tasks as well as to eliminate backlogs in areas such as the claims and information and personnel management support services (see, for example, the report of the Secretary-General on the support account A/55/862, annex V). The Committee recommends that the short and long-term solution to these problems be addressed, with concrete remedial proposals, in the context of the report of the Secretary-General on the**

**comprehensive review and capacity study, requested by the Special Committee on Peacekeeping Operations in its report of 4 December 2000 (A/C.4/55/6), as approved by the General Assembly in its resolution 55/135. In any case, the Committee recommends that, in the future, the Secretary-General's requests for resources for mission liquidation be accompanied by a detailed liquidation plan, including a timetable for completion of all tasks and activities.**

52. **In the view of the Advisory Committee, when a mission is being liquidated, it is advisable to retain the personnel who had been handling the operation of the mission rather than recruit temporary staff (see para. 47 above). In such cases, after the mission is liquidated, all efforts should be made to place the personnel retained for liquidation in other missions so that the Organization would continue to have recourse to their expertise and experience.**

53. According to the reports of the Secretary-General, the disposition of mission assets has been guided by the principles endorsed by the General Assembly in section VII of its resolution 49/233. The Advisory Committee notes, however, that in some missions (for example, UNPREDEP) mission assets were transferred to the host Government under "temporary possession" arrangements, pending the approval of the General Assembly. The Committee was informed that the transfer was made on the determination that it was not economical to secure, dismantle, ship and do site restoration. **The Advisory Committee recommends that, in the future, such a proposed transfer of assets to a host Government under "temporary possession" arrangements be submitted to the Committee for review prior to finalizing the transfer to the host Government. The Committee points out that, in accordance with the guidelines, as regards assets left with the national authority, it is essential to request approval of the General Assembly of any such disposition of mission assets, which would provide for free-of-charge contribution to the Government. In a related matter, the Committee is aware of a sale of equipment on credit to a Member State; future transactions of this type should be discouraged.**

54. The Advisory Committee observes that in some disposition of assets reports (for example, MIPONUH and UNPREDEP), a number of "unaccounted for" items may be attributable to lack of proper inventory control. **The Advisory Committee trusts that proper use of the field assets control system, including ensuring that it is complete, continuously updated and accurately maintained, as well as strict measures to avoid losses of United Nations property, will result in better control of United Nations property in peacekeeping missions. The Committee also trusts that since field assets control system is operational in all missions, instances of inability to identify the names of the officials who receive assets would be reduced. The Committee recommends that, as a general rule, United Nations officials should be designated to receive, inspect and report on equipment provided to missions and hold records of their actual locations within the mission area.**

## Public information programmes

55. The Advisory Committee recognizes the importance for the United Nations to have an effective public information programme in peacekeeping operations. However, the programmes must be carefully identified and implemented on the basis of objectives tailored to the specific needs of the mission concerned. The Committee points out that these programmes have not always been adequately justified in the budget estimates. **The Advisory Committee recommends that the experience gained by the United Nations in some missions be examined to determine whether it is applicable in other missions. In this connection, the Committee expects that consideration will be given to whether maximum use is being made of existing United Nations facilities and resources and that the possibility of using local public information facilities will be explored. The results of this examination should be reported in the next budget submission, together with a concise explanation of the extent to which the public information programme is designed to achieve the most effective operational impact.**

### Quick impact projects

56. As indicated in its report of 2 March 2001 on UNMEE (A/55/688/Add.1, paras. 21 and 22), during its examination of the budget estimates, the Advisory Committee discussed a provision for quick-impact projects to provide a flexible disbursement option for addressing immediate and short-term needs in the mission area. The Committee noted that specific projects had not yet been proposed in the budget of that Mission and was informed that no projects had been approved to date. The Committee was provided with detailed guidelines on the administration of quick-impact projects (see A/55/688/Add.1, annex II). **Subject to the decision of the General Assembly, the Advisory Committee recommends that, if available, information on quick-impact projects be reflected in the relevant budget reports and that the Secretary-General report on their implementation in the performance reports.**

### Training

57. The Advisory Committee was informed that resources made available for training programmes for all missions amounted to $1,438,500 for the period from 1 July 2000 to 30 June 2001. For 2001/02, partial requirements amount to $1,173,100, as requirements for missions to be submitted to the General Assembly at its fifty-sixth session have not yet been determined (see annex IV to the present report). In this connection, the Committee recalls that it had requested that the criteria for setting training priorities be stated in a more transparent manner in the reports (A/54/841, para. 39). The Committee understands that a large number of Headquarters staff have been trained in administrative matters of peacekeeping operations but have not been deployed to the missions. The Committee reiterates its view that before personnel are selected for training, their availability for mission service should be confirmed by the Administration. **The Advisory Committee believes that there should be better planning for training of personnel in the mission area without conflicting with other priority activities (for example, UNAMSIL). The Committee requests that in the future the subjects covered in the training programmes and their costs be more clearly stated in the performance and budget reports. For the period concerned, the reports should**

**include information on issues such as weaknesses and shortcomings that the training programmes have addressed or will address as well as the number of personnel trained or to be trained and the institutions or facilities used or to be used for training at the central, regional or local level.**

*Notes*

[1] *Official Records of the General Assembly, Fifty-fifth Session, Supplement No. 5*, A/55/5, vol. II.

[2] Ibid., chap. II, paras. 114-117.

# Annex I

## A. Financial performance of peacekeeping missions for the period from 1 July 1999 to 30 June 2000[a]

(Thousands of United States dollars)

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
|---|---|---|---|---|---|---|---|
| *Mission* | *Secretary-General's budget* | *Reduction recommended by Advisory Committee* | *General Assembly appropriation* | *Absorption of prior year charges* | *Unencumbered balance* | *Variance (2)+(4)+(5)* | *Variance (percentage) (6)÷(1)* |
| MINURCA | 39 113.0 | - | 39 113.0 | - | 1 197.2 | 1 197.2 | 3.1 |
| MINURSO | 49 023.0 | - | 49 023.0 | 200.0 | 2 913.4 | 3 113.4 | 6.4 |
| MIPONUH[b] | 17 532.2 | - | 17 532.2 | - | 559.1 | 559.1 | 3.2 |
| MONUA | 14 607.9 | - | 14 607.9 | 19.0 | 818.1 | 837.1 | 5.7 |
| UNDOF | 33 247.5 | - | 33 247.5 | - | 324.9 | 324.9 | 1.0 |
| UNFICYP | 43 631.8 | 716.9 | 42 914.9 | - | 523.4 | 1 240.3 | 2.8 |
| UNIFIL | 140 044.2 | - | 140 044.2 | - | (571.0)[c] | (571.0) | (0.4) |
| UNIKOM | 50 777.8 | - | 50 777.8 | 695.3 | 2 986.5 | 3 681.8 | 7.3 |
| UNMIBH | 168 234.0 | 634.0 | 167 600.0 | - | 25 990.0 | 26 624.0 | 15.8 |
| UNMIK | 456 451.2 | 29 398.4 | 427 061.8 | - | 65 272.0 | 94 670.4 | 20.7 |
| UNMOT | 19 109.4 | 1 513.6 | 17 595.8[d] | - | 4 754.7[d] | 6 268.3 | 32.8 |
| UNOMIG | 31 000.5 | - | 31 000.5 | - | 5 996.5 | 5 996.5 | 19.3 |
| UNAMSIL[e] | 265 789.0 | - | 265 789.0 | - | 2 450.8 | 2 450.8 | 0.9 |
| UNPREDEP | 172.6 | - | 172.6 | - | 0.6 | 0.6 | 0.3 |
| UNTAET[f,g] | 386 341.4 | 36 341.4 | 350 000.0 | - | 57 989.9 | 94 331.3 | 24.4 |
| MONUC[f] | 58 681.0 | - | 58 681.0[h] | - | 3 405.2 | 3 405.2 | 5.8 |
| **Total** | **1 773 756.5** | **68 604.3** | **1 705 161.2** | **914.3** | **175 182.3** | **244 700.9** | **13.8** |

[a] Figures are shown in gross amounts and exclude amounts for the support account for peacekeeping operations and UNLB.

[b] Excludes budgeted voluntary contributions in kind of $1,714,200.

[c] In addition to the approved appropriation of $140,044,200 gross, the Advisory Committee had authorized the Secretary-General to enter into commitments not exceeding $12 million in connection with the expansion of the Mission's authorization approved by the Security Council in presidential statement S/PRST/2000/18 of 23 May 2000. However most of the additional expenditure incurred could be met within the approved appropriation. No additional financing action for the excess expenditure over appropriation of $571,000 is required as it is expected that it can be met through further liquidation of unliquidated obligations for the period (A/55/757).

[d] The Secretary-General has recommended that the approved appropriation be reduced to the actual amount assessed on Member States of $16,370,309 gross, which would result in a consequential adjustment downward of the unencumbered balance to $2,416,109 gross.

[e] Based on appropriations approved by the General Assembly in its resolutions 54/241 A and B of 23 December 1999 and 15 June 2000, respectively.

[f] Performance report under preparation.

[g] Covers the period from 1 December 1999 to 30 June 2000.

[h] Commitment authority and assessment covering the period from 6 August 1999 to 30 June 2000.

## B. Supplementary information on the financial and budgetary reports of peacekeeping missions for the period from 1 July 1999 to 30 June 2000 as at 31 December 2000[a]

### 1. Status of contributions

(United States dollars)

| | (1) Status of contributions | | | (2) Updated financial information | | |
|---|---|---|---|---|---|---|
| | | | | | (b) Unliquidated obligations | |
| Mission | (a) Total assessed | (b) Payments received | (c) Amounts outstanding | (a) Cash position | Government | Other |
| MINURCA | 116 300 000 | 78 200 000 | 38 100 000 | 100 000 | 3 897 000 | 1 174 200 |
| MINURSO | 438 900 000 | 344 700 000 | 94 200 000 | - | 317 200 | 892 800 |
| MIPONUH | 95 100 000 | 75 400 000 | 19 700 000 | 10 000 000 | 95 600 | 561 360 |
| MONUA | 1 222 100 000 | 1 144 300 000 | 77 800 000 | 103 500 000 | 503 400 | 1 807 900 |
| UNDOF | 1 248 700 000 | 1 228 800 000 | 19 900 000 | 13 800 000 | 4 587 416 | 3 436 852 |
| UNFICYP | 22 565 438 | 16 964 074 | 5 601 364 | 11 500 000 | 16 970 423 | 3 277 152 |
| UNIFIL | 3 238 800 000 | 3 112 700 000 | 126 100 000 | 72 100 000 | 7 729 716 | 6 050 016 |
| UNIKOM | 294 700 000 | 274 700 000 | 20 000 000 | 46 200 000 | 1 687 200 | 1 014 100 |
| UNMIBH | 781 400 000 | 704 800 000 | 76 600 000 | 9 500 000 | 600 000 | 2 400 000 |
| UNMIK | 845 400 000 | 511 900 000 | 333 500 000 | 74 600 000 | 1 600 000 | 42 200 000 |
| UNMOT | 185 753 291 | 183 322 002 | 2 431 289 | 9 400 000 | 126 409 | 2 083 102 |
| UNOMIG | 127 100 000 | 111 000 000 | 16 100 000 | 4 000 000 | 500 000 | 1 100 000 |
| UNAMSIL | 588 100 000 | 346 000 000 | 242 100 000 | 88 600 000 | 55 029 900 | 14 452 600 |
| UNPREDEP | 157 300 000 | 134 400 000 | 22 900 000 | 66 900 000 | 10 900 000 | - |
| UNTAET[b] | 350 000 000 | 203 127 000 | 146 873 000 | 82 900 000 | 47 894 589 | 34 454 856 |
| MONUC | 199 822 300 | 109 950 300 | 89 872 000 | 18 400 000 | - | - |
| UNMEE[c] | - | - | - | - | - | - |
| **Total** | **6 673 241 029** | **5 467 563 376** | **1 205 677 653** | **539 400 000** | **144 709 137** | **108 854 922** |

[a] Information is as at 31 December 2000. However, some missions provided the Advisory Committee with more up-to-date information.

[b] The UNTAET performance report for the period ending 30 June 2000 will be available in May 2001.

[c] UNMEE was established on 31 July 2000 and its initial start up was funded from a $50 million commitment authority provided by the Advisory Committee in accordance with General Assembly resolution 49/233 A. Subsequently, by its resolution 55/237, the General Assembly approved a commitment authority with assessment of $150 million for UNMEE inclusive of the $50 million originally provided by the Advisory Committee. Hence assessment action only commenced in January 2001.

## 2. Status of reimbursement to troop-contributing Member States

(United States dollars)

| Mission | (a) Troop costs[a] | | (b) Contingent-owned equipment | | | (c) Death and disability compensation |
|---|---|---|---|---|---|---|
| | Paid[b] | Owed | Paid[b] | Estimated amounts owed | Certified claims Accounts payable[c] | Paid[b] |
| MINURCA[d] | 29 607 643 | - | 773 600 | 9 667 100 | 1 873 139 | 100 000 |
| MINURSO | 6 158 095 | 45 230 | 852 842 | 4 300 000 | 1 058 725 | 315 384 |
| MIPONUH[d] | 4 112 070 | - | 417 346 | 761 995 | 747 995 | 300 000 |
| MONUA[d] | 182 493 098 | - | 21 000 000 | 84 800 000 | 3 619 806 | 2 800 000 |
| UNDOF | 124 129 213 | 2 265 154 | 420 795 | 933 148 | 308 899 | 4 789 716 |
| UNFICYP | 112 049 354 | 2 676 362 | 4 677 867 | 9 052 306 | 1 820 385 | 1 231 536 |
| UNIFIL | 352 825 902 | 12 453 005 | 3 921 104 | 8 868 413 | 78 553 | 19 609 275 |
| UNIKOM | 88 369 303 | 1 986 961 | 7 100 000 | 11 200 000 | 284 354 | 645 210 |
| UNMIBH[e] | - | - | - | - | - | 838 644 |
| UNMIK | 4 813 675 | 2 036 139 | - | 2 899 351 | 193 403 | - |
| UNMOT[e] | - | - | - | - | - | - |
| UNOMIG[e] | - | - | - | 409 503 | 151 704 | 137 000 |
| UNAMSIL | 105 478 017 | 25 460 309 | - | 132 000 000 | - | 100 000 |
| UNPREDEP[d] | 40 827 473 | - | 3 689 618 | 28 534 303 | 23 906 894 | 426 923 |
| UNTAET | 75 361 168 | 17 642 601 | - | 98 916 990 | - | 300 000 |
| MONUC | - | - | - | - | - | - |
| UNMEE | - | 1 175 920 | - | - | - | - |
| **Total** | **1 126 225 011** | **65 741 681** | **42 853 172** | **392 343 109** | **34 043 857** | **31 593 688** |

[a] Reflects reimbursements to 31 October 2000 and amounts owed at 31 December 2000 for November and December 2000.

[b] Amounts are cumulative from inception of each mission.

[c] Certified claims in accounts payable are included in estimated amounts owed.

[d] Closed missions.

[e] Missions without military components.

# Annex II

## Estimated gross budgetary requirements proposed by the Secretary-General for each peacekeeping operation for the period from 1 July 2001 to 30 June 2002[a]

### A. Missions whose budgets have been submitted

(Thousands of United States dollars)

| | |
|---|---|
| MINURSO | 48 849.6 |
| UNDOF | 34 536.3 |
| UNFICYP | 42 395.1 |
| UNIKOM | 54 229.9 |
| UNMIBH | 143 588.9 |
| UNMIK | 448 803.6 |
| UNOMIG | 26 994.6 |
| **Total** | **799 398.0** |

### B. Missions whose budgets will be submitted to the General Assembly at its fifty-sixth session

It is not possible at this stage to project what the levels of the budgets for the missions might be. However, for indicative purposes and as an order of magnitude, their budget levels for the current period from 1 July 2000 to 30 June 2001 amount to some $1.6 billion as follows:

(Thousands of United States dollars)

| | |
|---|---|
| UNIFIL | 199 097.9 |
| UNAMSIL | 550 000.0 |
| UNMEE | 180 000.0 |
| UNTAET | 563 000.0 |
| MONUC | 141 319.0 |
| **Indicative Total** | **1 633 416.9** |

[a] Based on the above, the overall peacekeeping operations budget level would be in the order of $2.4 billion initially. However, it is anticipated that once the budgets for UNAMSIL, UNMEE and MONUC have been formulated and finalized, additional requirements, taking into account the 1 July 2001 to 30 June 2002 peacekeeping operations budget level, could reach between $2.6 billion and $3 billion.

# Annex III

## Vacancy rates of peacekeeping operations for the period from 1 July 1999 to 30 June 2000

(Percentage)

| *Peacekeeping operation* | *Vacancy factor applied in the initial budget estimates* | *Vacancy rate* |
|---|---|---|
| MINURCA[a] | | |
| Professional | 10 | - |
| General Service/Field Service | 10 | - |
| Local | 10 | - |
| MINURSO | | |
| Professional | 15 | 37 |
| General Service/Field Service | 15 | (1) |
| Local | 10 | 1 |
| MIPONUH | | |
| Professional | 5 | 21 |
| General Service/Field Service | 5 | 14 |
| Local | - | 17 |
| UNDOF | | |
| Professional | - | 17 |
| General Service/Field Service | - | 21 |
| Local | - | 3 |
| UNFICYP | | |
| Professional | 5 | 10 |
| General Service/Field Service | 5 | 10 |
| Local | - | 12 |
| UNIFIL | | |
| Professional | 5 | 17 |
| General Service/Field Service | 5 | 25 |
| Local | - | 3 |
| UNIKOM | | |
| Professional | 10 | 34 |
| General Service/Field Service | 10 | 24 |
| Local | 10 | 10 |
| UNMIBH | | |
| Professional | 15 | 18 |
| General Service/Field Service | 15 | 14 |
| Local | 5 | 8 |

| *Peacekeeping operation* | *Vacancy factor applied in the initial budget estimates* | *Vacancy rate* |
|---|---|---|
| UNMIK | | |
| Professional | 35 | 52 |
| General Service/Field Service | 35 | 47 |
| Local | 15 | 34 |
| UNMOT | | |
| Professional | - | 39 |
| General Service/Field Service | - | 39 |
| Local | - | 24 |
| UNOMIG | | |
| Professional | 10 | 33 |
| General Service/Field Service | 10 | 19 |
| Local | - | 8 |
| UNAMSIL[b] | | |
| Professional | 30 | 25 |
| General Service/Field Service | 30 | 16 |
| Local | 30 | 54 |
| UNTAET[c] | | |
| Professional | 30 | 57 |
| General Service/Field Service | 30 | 63 |
| Local | 15 | 40 |

[a] Actual vacancy rate reflects full incumbency of posts provided in the revised budget, which was based on actual deployment during the reporting period.

[b] Comparison between projected and actual vacancies are for the period from 1 March to 30 June 2000. The revised budget was based on actual deployments from 1 July 1999 to 29 February 2000.

[c] Performance report under preparation.

# Annex IV

## A. Resources made available for training programmes for the period from 1 July 2000 to 30 June 2001 and proposed for the period from 1 July 2001 to 30 June 2002

(United States dollars)

| | *2000/01* | *2001/02* |
|---|---|---|
| MINURSO | 18 000 | 65 000 |
| UNDOF | 50 400 | 145 400 |
| UNFICYP | 34 500 | 51 500 |
| UNIFIL | 123 000 | -[a] |
| UNIKOM | 15 000 | 105 900 |
| UNMEE | 136 900 | -[a] |
| UNMIBH | 198 700 | 208 700 |
| UNMIK | 418 200 | 412 600 |
| UNOMIG | 53 000 | 184 000 |
| UNAMSIL | 202 600 | -[a] |
| UNTAET | 103 000 | -[a] |
| MONUC | 85 200 | -[a] |
| **Total** | **1 438 500** | **1 173 100** |

[a] Requirements not available yet. Detailed 2001/02 budget to be submitted to the General Assembly for its consideration at its fifty-sixth session.

## B. Information on training activities during the fiscal periods 1999/00, 2000/01 and 2001/02

| Mission | 1999/00 | | | 2000/01 | | | 2001/02 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Number of personnel trained | Percentage trained at UNLB | Percentage trained elsewhere | Number of personnel trained | Percentage trained at UNLB | Percentage trained elsewhere | Number of personnel trained | Percentage trained at UNLB | Percentage trained elsewhere |
| MINURCA[a] | - | - | - | - | - | - | - | - | - |
| MINURSO | 8 | 50.0 | 50.0 | 14 | 65.0 | 35.0 | 14 | 72.0 | 28.0 |
| MIPONUH[a] | 6 | 66.7 | 33.4 | - | - | - | - | - | - |
| MONUA[a] | 3 | 100.0 | - | - | - | - | - | - | - |
| MONUC[b] | 2 | 100.0 | - | 23 | 65.0 | 35.0 | - | - | - |
| UNDOF | 9 | 33.0 | 67.0 | 25 | 52.0 | 48.0 | 40 | 50.0 | 50.0 |
| UNFICYP | 114 | 12.0 | 88.0 | 37 | 24.0 | 76.0 | 58 | 17.0 | 83.0 |
| UNIFIL[b] | 227 | 4.0 | 96.0 | 360 | 4.0 | 96.0 | - | - | - |
| UNIKOM | 16 | 43.7 | 56.3 | 20 | 25.0 | 75.0 | 29 | 48.3 | 51.7 |
| UNMEE[b] | - | - | - | 18 | 44.5 | 55.5 | - | - | - |
| UNMIBH | 166 | 7.8 | 92.2 | 84 | 17.9 | 82.1 | 314 | 4.5 | 95.5 |
| UNMIK | 102 | 19.0 | 81.0 | 810 | 1.0 | 99.0 | 508 | 3.0 | 97.0 |
| UNMOT[a] | 1 | 100.0 | - | - | - | - | - | - | - |
| UNOMIG | 10 | 29.0 | 71.0 | 11 | 73.0 | 27.0 | - | - | - |
| UNOMSIL/UNAMSIL[b] | 4 | 100.0 | - | 14 | 100.0 | - | - | - | - |
| UNTAET[b] | 500 | 1.5 | 98.5 | 4 000 | 1.0 | 99.0 | - | - | - |
| **Total** | **1 168** | | | **5 416** | | | **963** | | |

[a] Liquidated missions.

[b] Requirements for 2001/02 will be finalized by the General Assembly at its fifty-sixth session.

# Annex V

## Letter dated 22 March 2001 from the United Nations Controller addressed to the Chairman of the Advisory Committee on Administrative and Budgetary Questions

It will be recalled that at the start of its current winter session, the Secretariat had apprised the Advisory Committee of the fact that recent and prospective anticipated developments specific to certain peacekeeping missions would likely affect their mandates, operational concepts, scope and scale of activities and related resources requirements. This would consequentially impact on the development, preparation and timing of submissions of their budgets for the next period, from 1 July 2001 to 30 June 2002. While there have been similar occurrences in past years (usually one or two cases), what is different for 2001/02 is the number of such missions involved: specifically, UNIFIL, UNMEE, UNAMSIL, UNTAET and MONUC. The particular considerations affecting each of these missions are described in the appendix to the present letter.

It is possible for the Secretariat in the interim to prepare initial maintenance level budgets for the period from 1 July 2001 to 30 June 2002 for these above-mentioned missions for submission to the Advisory Committee in the course of its next session in May 2001, without taking into account the impact of prospective Security Council consideration and decisions and of recent and anticipated developments, which could substantially increase or decrease their current resource levels. However, the utility and value of such an approach seems to me questionable when there is general awareness that these initial budgets will, shortly thereafter, be overtaken by events, have to be prepared anew, recosted and resubmitted at a later date. It would affect the Advisory Committee's summer session programme of work which is devoted to review the Secretary-General's proposed programme budget for the biennium 2002-2003. Moreover, even if the Advisory Committee were to exceptionally consider all these outstanding peacekeeping budget reports as its first order of business at the start of its May session, it is unlikely that the Committee's related detailed reports could be finalized and issued in all the languages in time for the Fifth Committee to digest and consider them before the end of the second part of the resumed fifty-fifth session, which concludes on Friday, 1 June 2001.

For these reasons, and consistent with the procedures established by the General Assembly in its resolution 49/233 A for dealing with financing those peacekeeping missions whose requirements are subject to fluctuations, I request that the Advisory Committee consider recommending for approval and action by the General Assembly at the second part of its resumed fifty-fifth session, in May, the following bridging actions in respect of UNIFIL, UNMEE, UNAMSIL and UNTAET:

For UNIFIL, based on the revised 1 July 2000 to 30 June 2001 budget level for the mission of $199,097,919 gross ($195,117,090 net) contained in the report of the Secretary-General (A/55/482/Add.1), to grant a commitment authority with assessment for the next period, 1 July 2001 to 30 June 2002, in the amount of $99,548,960 gross ($97,558,500 net) corresponding to six months of resources (covering 1 July to 31 December 2001), pending submission of the detailed UNIFIL budget to the General Assembly at its fifty-sixth session.

For UNMEE, based on the 1 July 2000 to 30 June 2001 budget level of $180 million gross ($177,866,900 net) for the mission recommended by the Advisory Committee and informally approved by the Fifth Committee on Monday, 19 March 2001, to grant a commitment authority with assessment for the next period, 1 July 2001 to 30 June 2002, in the amount of $90 million gross ($88,933,450 net) corresponding to six months of resources (covering 1 July to 31 December 2001), pending submission of the detailed UNMEE budget to the General Assembly at its fifty-sixth session.

For UNAMSIL, based on the revised 1 July 2000 to 30 June 2001 budget level of $550 million gross ($546,750,000 net) for the mission recommended by the Advisory Committee, which will be considered by the Fifth Committee on Friday, 23 March 2001, to grant a commitment authority with assessment for the next period, 1 July 2001 to 30 June 2002, in the amount of $275 million gross ($273,375,000 net) corresponding to six months of resources (covering 1 July to 31 December 2001), pending submission of the detailed UNAMSIL budget to the General Assembly at its fifth-sixth session.

For UNTAET, based on the 1 July 2000 to 30 June 2001 budget level of $563 million gross ($546,051,600 net) for the Mission approved by the General Assembly in its resolution 55/228 of 23 December 2000, to grant a commitment authority with assessment for the next period, 1 July 2001 to 30 June 2002, in the amount of $282 million gross ($273,025,800 net) corresponding to six months of resources (covering 1 July to 31 December 2001), pending submission of the detailed UNTAET budget to the General Assembly at its fifty-sixth session.

In respect of MONUC, it will be recalled that in its resolution 54/260 B of 15 June 2000, the General Assembly had granted commitment authorities with assessment amounting to $200 million, of which $58,681,000 gross ($58,441,000 net) related to the financial period from 1 July 1999 to 30 June 2000 (covering start up and other initial requirements from 6 August 1999 to 30 June 2000), and $141,319,000 gross ($140,827,100 net), related to the current financial period, 1 July 2000 to 30 June 2001. The financial performance report for the period from 1 July 1999 to 30 June 2000 and the first detailed budget of the mission for the current period from 1 July 2000 to 30 June 2001 which will seek resources in addition to the $141.3 million granted thus far are still under preparation and will be submitted to the Advisory Committee before the start of its May 2001 session. The exceptional consideration and reporting by the Advisory Committee on these two reports of the Secretary-General in time for action by the General Assembly during the second part of its resumed fifty-fifth session is requested. This would allow regularizing of the financing of MONUC for the prior and current financial periods. It would also then permit the Secretary-General subsequently to request from the General Assembly a new commitment authority with assessment for MONUC for the next financial period, 1 July 2001 to 30 June 2002, covering its projected requirements from 1 July to 30 December 2001, pending submission of the detailed MONUC budget to the General Assembly at its fifty-sixth session.

I regret proposing recourse to such bridging actions. However, I believe that they represent the most pragmatic and realistic scenario for the preparation of credible budget reports of the Secretary-General and the orderly conduct of the heavy work programme facing the Advisory Committee and the General Assembly in the coming months.

The Advisory Committee's understanding and support of the proposals outlined above is appreciated.

(*Signed*) Jean-Pierre **Halbwachs**
Assistant Secretary-General, Controller

## Appendix

### UNIFIL

1. In its resolution 1337 (2001) of 30 January 2001, the Security Council, inter alia, decided to extend the present mandate of UNIFIL for a further period of six months, until 31 July 2001; to return the military personnel of UNIFIL to its previous strength of about 4,500 troops by 31 July 2001; endorsed the general approach for reconfiguration of UNIFIL as outlined in paragraph 23 of the Secretary-General's report (S/2001/66); and to review the situation by early May 2001 and to consider any steps it deems appropriate regarding UNIFIL and UNTSO, on the basis of a detailed report to be submitted by the Secretary-General by 30 April 2001. At the present time information on the possible timing, nature and scope of such reconfiguration is not available.

### UNMEE

2. In its report (A/55/688/Add.1), the Advisory Committee had, following its review of the first budget for UNMEE for the period from 1 July 2000 to 30 June 2001, made a number of observations and recommendations regarding the organizational structure, staffing and related resources for the mission that must be addressed when preparing the next budget for UNMEE for the period from 1 July 2001 to 30 June 2002.

3. For the reasons stated in paragraphs 48, 49, 50 and 53 of his progress report to the Security Council on UNMEE (S/2001/202), the Secretary-General had recommended that the mission's mandate be adjusted to include support to the Boundary Commission. In its resolution 1344 (2001) of 15 March 2001, the Security Council, inter alia, decided to extend the mandate of the Mission until 15 September 2001 and to consider the recommendations of the Secretary-General in paragraphs 50 and 53 of his report upon receipt of more detailed information. Depending on the timing of submission of the additional detailed information requested and subsequent action by the Security Council, the proposed 2001-2002 budget for UNMEE would have to take account of these requirements.

### UNAMSIL

4. In its report (A/55/869), the Advisory Committee had, following its review of the revised budget for UNAMSIL for the period 1 July 2000 to 30 June 2001, made a number of observations and recommendations regarding the organizational structure, staffing and related resources for the mission which must be addressed when preparing the next budget for UNAMSIL for the period from 1 July 2001 to 30 June 2002.

5. The current mandate of UNAMSIL will expire on 31 March 2001. In paragraph 66 of his ninth progress report to the Security Council on UNAMSIL (S/2001/228), the Secretary-General had recalled his view that in order adequately to discharge its tasks, UNAMSIL would require up to 20,500 military personnel. In paragraphs 99 and 100 of the report, the Secretary-General recommended that the authorized strength of the mission be increased to 17,500 troops and expressed his intention to continue to seek further commitments from potential troop contributors and to keep the Security Council informed. The Security Council has not taken a decision yet on this recommendation.

**UNTAET**

6. The financial performance report for the period from 1 July 1999 to 30 June 2000 for UNTAET is being finalized. It has taken awhile to prepare this report as it covers the complex start-up and first year of UNTAET. This report will be submitted to the Advisory Committee before the start of its May 2001 session.

7. With regard to preparation of the UNTAET budget for the next period, 1 July 2001 to 30 June 2002, it is noted that following its consideration of the Secretary-General's progress report on UNTAET (S/2001/42), the Security Council adopted resolution 1338 (2001) of 31 January 2001, in paragraph 2 of which the Council decided to extend the current mandate of UNTAET until 31 January 2002. In paragraph 10 of the resolution, the Council requested the Secretary-General to submit, by 30 April 2001, a report on the implementation of the mandate of UNTAET, which should include in particular military and political assessments of the situation on the ground and their implications for the size, structure and deployment of UNTAET, and expressed its intention to take appropriate steps on the basis of this report expeditiously, taking into account the views of troop-contributing countries. In paragraph 11, the Council stressed the need for a substantial international presence in East Timor after independence and requested the Secretary-General to make detailed recommendations in that regard to the Council within six months. In view of these developments, it is not feasible at the present time to prepare a proposed budget for UNTAET for the next period, 1 July 2001 to 30 June 2002, pending finalization of the Secretary-General's next report to the Security Council.

**MONUC**

8. While expenditures have been incurred against the commitment authorities granted by the General Assembly for the start-up and initial deployment of MONUC, because of the fluid situation, the preparation of an expenditure report for the period from 6 August 1999 to 30 June 2000 and a first detailed budget for the Mission is only now being completed for submission shortly, following the recent return of the survey mission.

9. In view of this and in the light of recent developments as detailed in the Secretary-General's sixth progress report on MONUC to the Security Council (S/2001/128) it is not feasible to submit a credible budget for MONUC for the next period, 1 July 2001 to 30 June 2002, at the present time. Moreover, the formulation of this budget will have to take full account of the revised concept of operations proposed in paragraphs 71 to 84 of the Secretary-General's report and his recommendation, in paragraph 100, that MONUC be strengthened with the addition of the necessary additional civilian staff, including a reinforced human rights component. In paragraphs 20 and 21 of its resolution 1341 (2001) of 22 February 2001, the Security Council emphasized that it was prepared to consider a further review of the concept of operations for MONUC, and reaffirmed that it is ready to support the Secretary-General if and when he deemed that it was necessary and it determined that conditions allowed it to deploy troops in the border areas in the east of the Democratic Republic of the Congo, including possibly in Goma or Bukavu.